

is ambiguous since, as stated, it may be inferred that the phrase means one class of shares or one class of stock, but not both shares and stock. However, § 9-323 of this subtitle provides that a guaranty stock association may issue guaranty stock "in addition to its free share accounts".

Also as to paragraph (1) of this subsection, note that a mutual association may not issue stock in the sense the word takes on after the introduction of guaranty stock into the law that relates to savings and loan associations.

In paragraph (1) of this subsection, the incorporated reference from § 9-323 of this subtitle — "may issue one class of guaranty stock in addition to its free share accounts" — presents the issue of whether "free share accounts" represent more than the one class of shares required under this section. A free share account differs enough from the borrower's share, also issued by mutual associations, to be possibly a different class of share.

The balance of CA § 6-212(a) now appears in § 9-313 of this subtitle.

"Savings and loan association" is defined in § 9-101 of this title.

(B) UNLIMITED NUMBER OF SHARES.

NOTWITHSTANDING ANY PROVISION IN ITS CHARTER ON THE NUMBER OF SHARES, A SAVINGS AND LOAN ASSOCIATION MAY ACCEPT SUBSCRIPTIONS AND PAYMENT FOR AN UNLIMITED NUMBER OF ITS FREE SHARES WITHOUT OTHER CORPORATE ACTION.

REVISOR'S NOTE: This subsection presently appears as CA § 6-212(b).

In this section, the term "free shares" is substituted for the present term "shares" to avoid conflict with strict understandings in Maryland General Corporation Law as to the number of shares authorized by a corporation's charter.

"Savings and loan association" is defined in § 9-101 of this title.

(C) CANCELED SHARES.

ANY SHARES OF STOCK OF A SAVINGS AND LOAN ASSOCIATION THAT HAVE BEEN REDEEMED, ADVANCED, LOANED, OR PURCHASED BY THE ASSOCIATION SHALL BE CONSIDERED REDEEMED SHARES AND SHALL BE CANCELED.

REVISOR'S NOTE: This subsection presently appears as
